



Arms Release

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Cooperating with the Ohio Department of Agriculture
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MIDWEST PRODUCTION EXPENDITURES UP 14.4 PERCENT IN 2007

Farm production expenditures in the Midwest Region totaled 74.4 billion, up 14.4 percent from 2006 according to the National Agricultural Statistics Service (NASS), USDA. In the Midwest Region, 16 of the 17 expenditure categories increased from the 2006 level. The categories containing the largest expenditure increases from 2006 to 2007 were fertilizer, lime and soil conditioners (up 34.7 percent), feed (up 27.3 percent), labor (up 24.5 percent), fuels (up 20.8 percent), farm services (up 19.6 percent), seeds and plants (up 18.2 percent), farm supplies and repairs (up 17.2 percent), agricultural chemicals (up 16.1 percent) and miscellaneous capital expenditures (up 14.3 percent). Only one expenditure category decreased from 2006 to 2007: Livestock, poultry and related expenses (down 4.5 percent). The Midwest's largest expense items in 2007 were rent (11.3 percent), farm services (11.2 percent), feed (11.2 percent), fertilizer, lime and soil conditioners (9.0 percent), and livestock, poultry and related expenses (6.9 percent). The average expenditures per Midwest Region's farm in 2007 were \$122,445 compared to \$106,710, for 2006. On the average, Midwest Region farm operations in 2007 spent \$13,856 on rent; \$13,773 on farm services; \$13,658 on feed; \$10,976 on fertilizer, lime, and soil conditioners and \$8,475 on livestock, poultry and related expenses. The estimates for 2006 indicated that Midwest Region farms spent an average of \$13,634 on rent; \$11,485 on farm services; \$10,697 on feed; \$8,121 on fertilizer, lime, and soil conditioners; and \$8,843 on livestock, poultry and related expenses.

U.S. farm production expenditures totaled \$260 billion in 2007, up 9.3 percent from the revised 2006 total of \$238 billion. The largest contributors to the increase were: fertilizer, lime and soil conditioners (up 25.6 percent), farm services (up 21.3 percent), fuels (up 14.4 percent), agricultural chemicals (up 11.1 percent), and tractors and self propelled farm machinery (up 11.0 percent). The four largest expenditures at the U.S. level accounted for 48 percent of total farm production expenditures in 2007. They were feed (14.7 percent), farm services (13.2 percent), livestock, poultry and related expenses (10.3 percent), and labor (10.0 percent). The average expenditures per U.S. farm in 2007 were \$125,648 compared to \$114,186 as revised for 2006. On the average, U.S. farm operations in 2007 spent \$18,412 on feed; \$16,575 on farm services; \$12,903 on livestock, poultry and related expenses; \$12,564 on labor; and \$8,988 on rent. Revised estimates for 2006 indicated U.S. farms spent an average of \$15,077 on feed; \$15,365 on farm services; \$12,532 on livestock, poultry and related expenses; \$11,764 on labor; and \$8,787 on rent.

2006 & 2007 Regional and United States Farm Production Expenditures

Midwest Region (IL, IN, IA, MI, MN, MO, OH and WI)	Midwest Region		U.S. ¹	
	2006/ ¹⁰	2007	2006/ ¹⁰	2007
	Million Dollars			
Total Farm Production Expenditures ²	65,040	74,410	237,810	260,010
Livestock, Poultry & Related Expenses ³	5,390	5,150	26,100	26,700
Feed	6,520	8,300	31,400	38,100
Farm Services ⁴	7,000	8,370	32,000	34,300
Rent ⁵	8,310	8,420	18,300	18,600
Agricultural Chemicals ⁶	2,860	3,320	9,000	10,000
Fertilizer, Lime & Soil Conditioners ⁶	4,950	6,670	13,300	16,700
Interest	3,600	3,870	10,700	11,500
Taxes (Real Estate & Property)	2,990	3,200	9,000	9,800
Labor	3,590	4,470	24,500	26,000
Fuels	3,070	3,710	11,100	12,700
Farm Supplies & Repairs ⁷	3,730	4,370	13,400	14,300
Farm Improvements & Construction ⁸	3,520	3,920	12,700	13,100
Tractors & Self-Propelled Farm Machinery	2,690	2,880	7,300	8,100
Other Farm Machinery	1,490	1,580	3,900	4,000
Seeds & Plants	4,280	5,060	11,000	11,900
Trucks & Autos	980	1,040	3,900	4,000
Miscellaneous Capital Expenditures	70	80	210	210

1/ Excludes AK & HI. 2/ Includes landlord and contractor share of farm production expenses. 3/ Includes purchases and leasing of livestock and poultry. 4/ Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. 5/ Includes public and private grazing fees. 6/ Includes material and application costs. 7/ Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. 8/ Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. 9/ Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment. 10/ Revised.